

**COMMONWEALTH OF KENTUCKY
CABINET FOR ENVIRONMENTAL AND PUBLIC PROTECTION
OFFICE OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2007-AH-226**

OFFICE OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

ORDER TO CEASE AND DESIST

GOLD STAR MORTGAGE FINANCIAL
GROUP, CORPORATION d/b/a GOLD STAR
MORTGAGE BANKING GROUP, CORPORATION

RESPONDENT

* * * * *

Based on the allegations and findings herein stated, the Executive Director of the Kentucky Office of Financial Institutions ("the OFI") **HEREBY ORDERS GOLD STAR MORTGAGE FINANCIAL GROUP, CORPORATION d/b/a GOLD STAR MORTGAGE BANKING GROUP, CORPORATION ("Gold Star") TO CEASE AND DESIST FROM ENGAGING IN THE MORTGAGE LOAN BUSINESS (INCLUDING ADVERTISEMENT OR SOLICITATION OF MORTGAGE BUSINESS) IN THE COMMONWEALTH OF KENTUCKY;**

Allegations and Applicable Law

- 1) On Wednesday, March 21, 2007, Gold Star advertised in the Lexington, KY Herald-Leader newspaper its fixed and adjustable home loan mortgage rates and its toll-free telephone number.
- 2) KRS 286.8-030(a) provides, "It is unlawful for any person to transact business in this state, either directly or indirectly, as a mortgage loan company or

mortgage loan broker if he is not licensed under this subtitle and registered in accordance with KRS 286.8-255,

- ~~3) An employee of the OFI, Gayle Keltner, telephoned Gold Star at its Ann Arbor, Michigan office on or about March 21, 22, or 23 inquiring, as a resident of Kentucky, into the possibility of obtaining a mortgage home loan through Gold Star. Gold Star indicated to Ms. Keltner that they could do a home loan in Kentucky and, in fact, they do residential home loans all across the "United States, the Virgin Islands, and everywhere". Gold Star also told Ms. Keltner that they do all their business by telephone.~~

Findings

- 1) Gold Star has transacted business in this state.
- 2) Gold Star is not licensed to transact business in this state.
- 3) Gold Star is not exempted from licensing as a mortgage loan company or mortgage loan broker in this state.

ORDER

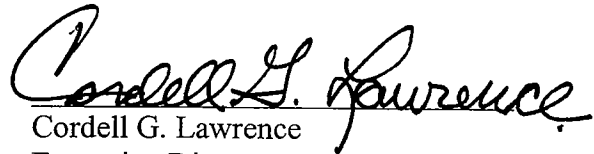
WHEREFORE IT IS ORDERED THAT GOLD STAR SHALL IMMEDIATELY CEASE AND DESIST FROM TRANSACTING THE MORTGAGE LOAN BUSINESS IN THE COMMONWEALTH OF KENTUCKY INCLUDING THE ADVERTISEMENT OR SOLICITATION OF SUCH BUSINESS UNLESS AND UNTIL IT OBTAINS A MORTGAGE LOAN BROKERS LICENSE FROM THIS STATE.

APPEAL RIGHTS

1) YOU ARE ADVISED THAT YOU MAY APPEAL THIS CEASE AND
~~DESIST ORDER BY REQUESTING A HEARING BEFORE THE EXECUTIVE~~
DIRECTOR OF THE OFI PURSUANT TO KRS 286.8-190(2)(a) WITHIN
TWENTY (20) DAYS.

2) IF NO APPLICATION FOR HEARING IS MADE WITHIN TWENTY (20)
DAYS AFTER THE DELIVERY OF THIS ORDER, IT SHALL BE MADE FINAL
AND SHALL REMAIN IN EFFECT UNTIL WITHDRAWN BY THE
EXECUTIVE DIRECTOR OR TERMINATED BY A COURT ORDER.

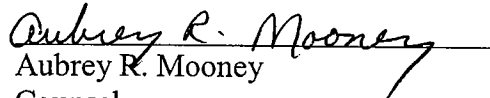
Entered this 23 day of April, 2007.



Cordell G. Lawrence
Executive Director
Office of Financial Institutions
1025 Capital Center Dr., Suite 200
Frankfort, KY 40601
(502) 573-3390 ext.227
Facsimile (502) 573-2183

Certificate

I, Aubrey R. Mooney, counsel for the Office of Financial Institutions, certify that a copy of the foregoing Cease and Desist Order was sent by certified mail, return receipt requested, to Gold Star Mortgage Financial Group, Corporation, 1819 West Stadium Blvd., Ann Arbor, MI 48103-4501 this 24 day of April, 2007.



Aubrey R. Mooney
Counsel
Office of Financial Institutions
(502) 573-3390 ext.240